

sources.

The requests for emergency and related supplemental appropriations for FY 1992 total \$2,911.6 million in budget authority and would support additional loan activity of over \$3 billion. These funds will be used for a comprehensive range of disaster-related activities including direct assistance to individuals, infrastructure repair, human services, and law enforcement. The additional availability of loans will assist in building and rebuilding homes, facilitate economic recovery through small business loans, and help farmers who have suffered the loss of structures and crops.

In addition to direct emergency and related appropriations, contingent funds of \$143 million for FEMA and \$75 million in budget authority for SBA (which would support an additional \$350 million of new loans) are requested to replenish the depleted contingency funds of these Agencies. Establishment of a disaster-related contingency fund within Funds Appropriated to the President is also requested for \$350 million in unanticipated disaster-related needs. These contingent appropriations would become available upon the President's transmittal of subsequent budget requests to the Congress designating each such request as an emergency requirement.

In addition to these emergency funding

requirements, \$983.9 million in non-emergency funding is requested for the Department of Defense. Of this amount, \$205.6 million will be used for replacement of facilities and equipment, cleanup activities, and military personnel support costs stemming from Typhoon Omar in Guam; \$297.7 million will be used for similar costs stemming from Hurricane Andrew; and \$480.6 million will be used to rebuild the facilities destroyed at Homestead Air Force Base.

The President requested that the legislation in which these funds are provided be kept free of extraneous matters "in order that there may be a minimum of delay in providing necessary funds to the disaster areas."

The President has designated all of the requests, other than the three contingency requests and the request for appropriations to the Department of Defense, as emergency requirements pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

The details of these requests are described in an attachment.

Note: Detailed descriptions of Agencies' specific programs and budget requests were attached to the statement.

Remarks and a Question-and-Answer Session at the B'nai B'rith International Convention

September 8, 1992

The President. Thank you, Senator. Thank you all very much. Please be seated, and thank you. Let me just say what a joy it is to have been introduced by Rudy Boschwitz. The Senate still misses him. He is my friend, and so you can discount some of those kind words. But I'll tell you it was awfully thoughtful of you, Kent and others, to ask Rudy to present me here to this most prestigious order, this group. And thank you for the kind introduction. And Kent, thank you, sir, for what I understand is an extraordinarily successful meeting getting underway. May I salute Ambassador

Shoval, with whom we are working very closely, Israel's Ambassador here in the United States. And of course, the B'nai B'rith leadership who graciously met me when I came here. And to everyone else, it's an honor to be with you today.

Let me express at the outset another personal observation. I was just talking to my good friend George Klein, and others about this, but I want to express my concerns for a good friend of everybody in this room, and that is Max Fisher, who was to be with us today, regrettably is in the hospital. I talked to him, and I'm sure he'll be just

fine. That spirit, that Max Fisher spirit and optimism is still just as wonderful as you can possibly imagine and hope for.

Now, we have witnessed, and Rudy talked about this, a world of change. And with change comes new challenges. For America, the end of the cold war means the beginning of a new era, a new era of economic competition that America simply must and will win. In the new world, foreign policy, economic policy, and domestic policy have become one issue. And in order to prevail, the United States must be not only a military superpower but an export superpower and an economic superpower as well.

Yet we know that America is measured by more than the strength of our economy, also by the content of our character and how we serve others. And this willingness to reach out, to help those in need, to recognize across all the divides of color and culture and creed our shared human spirit, this is what B'nai B'rith is all about. For 150 years, the members of this organization have joined a handful of other organizations serving as the Nation's conscience. And part of America's conscience must always be to fight anti-Semitism and other forms of prejudice wherever and whenever they appear. I wish very much, as President, that I could stand before you and today say that anti-Semitism is history. It's not, not when there are hate crimes here at home, brownshirts abroad. That's a sorry commentary on human nature.

Let's all be clear: A world willing to allow Jews to be persecuted is a world certain to allow other tyrannies to emerge. But we're not helpless. And we're doing something about it. In this country, we are aggressively employing the Hate Crimes Act to bring to justice those who traffic in the gutter. Anti-Semitism is an evil idea with an ugly history. And I'll do my utmost, here and abroad, so that prejudice is finally, finally, finally banished from the human heart.

In the end, anti-Semitism and prejudice mock and threaten the basic principles upon which the United States is founded. In a letter to the Hebrew congregation of Rhode Island, George Washington wrote, ". . . the government of the United States . . . gives to bigotry no sanction, to persecution no

assistance. . . . While everyone shall sit in safety under his own vine and fig tree, and there shall be none to make him afraid." And here's the difference, the vital difference that sets apart our American creed. For us, freedom of religion is no gift of Government, no privilege to be granted or withheld. It is a fundamental human right.

We can take heart that this American creed is spreading, that people in our time are demanding and getting those rights that they've been denied so long. Changes in our world have come so fast that I say they are nothing short of Biblical, and by that I mean just plain old-fashioned miraculous. Just think about it. Just a few years ago, who would have thought we would no longer live under that horrible threat of nuclear conflagration? Who would have thought the scarring symbol of an era, the divisive Berlin Wall, would be found only in museums or chipped into paperweights? And above all, who would have predicted the Soviet Union would be found only in the pages of history?

And know this: The miracles aren't only confined to Europe. In the Middle East, events have defied all predictions. Today, direct bilateral talks are taking place between Israel and her neighbors. You may recall that we were told we couldn't succeed, we couldn't bring the parties together. But we did. And I want to dwell for a moment on this breakthrough, because I know it matters deeply to everyone in this hall. Let me take you back nearly a year ago to another hall in Madrid. There, gathered around the table, were representatives of Lebanon, Jordan, Syria, Egypt, Palestinians, and Israel. For nearly half a century they had not met all together outside the battlefield. But for the first time they came together not to fight but to talk. I'll never forget as long as I live walking into the meeting room. Then-President Gorbachev was at my side. We were the ones that were to open the meeting; you may remember that. And you could cut the tension with a knife. But when Gorbachev and I spoke afterwards—we chatted about it—we both agreed it had to be one of the most dramatic moments in recent world history.

It was amazing. And we continued to build on those talks.

But then as now, the goal is not just a cease-fire or a truce but peace, real peace: not simply the end of war but genuine reconciliation. A peace both broad and deep; a peace codified by treaties and given life by trade and tourism, by open borders, the fabric of peace knit together even more tightly by the simple human contact of peoples who have known each other far too long as enemies. A comprehensive peace, based on Security Council Resolutions 242 and 338. A peace that at long last will allow the peoples of the Middle East to turn their energies, their resources, their lives to creation rather than destruction, to great works rather than great wars.

Today, as we speak, parties that met first at Madrid are midway through the sixth round of bilateral negotiations. And there has been progress. Delegations are exchanging not only handshakes but, for the first time, written proposals. Public posturing has decreased, and meaningful private dialog has increased. Of course, major hurdles remain. I don't mean to diminish that; they do. And it's going to take time and effort and courage and trust. But there is clearly a way, and increasingly, a will. The evidence is mounting: The many positive steps taken by Israel's new government that improve day-to-day life for Palestinians and signal its seriousness about peace, Egypt's invitation that made it possible for Prime Minister Rabin to make his first trip outside Israel to an Arab country, Syria's relaxation of travel restrictions affecting its Jewish citizens. Further gestures such as an end to the Arab boycott of Israel can only help in bringing about an environment conducive to negotiation and reconciliation. I will continue to oppose that boycott and seek further change.

I am proud of the role that we've played in breaking the long-standing taboo against direct talks between Israel and her neighbors. You see, Israel sought direct talks for 43 years, and it was right to do so. If you do not talk, you can have no hope of making peace. And now there is such a hope.

I'm also proud of what we've done to help end Israel's diplomatic isolation internationally. We finally succeeded, after 16

years of effort, in getting the United Nations General Assembly to repeal what should never have been enacted in the first place. Zionism is not racism, not before, not now, not ever. And as Senator Boschwitz pointed out very generously, thanks in large part to our efforts, China and India and Turkey and many other nations, countries representing more than 2 billion people, now have full diplomatic relations with Israel. Already this has created not only greater contact for Israel worldwide but new economic opportunities.

I know this audience knows of our efforts to open the gates to Jews in the former Soviet Union and also to rescue Ethiopian Jews. You know, 4 years ago when I spoke to you in Baltimore, I noticed a banner hung on the wall that read: Where do Soviet Jews apply for *glasnost*? Some of you all, delegates, may remember that one. As I prepared to come here today, I thought of that banner. I thought of the hopes we had then. And I thought of a pledge that I made, that in every single meeting with Soviet officials I would raise the issue of Soviet Jews. And my friends, I could not forget that banner. I did not forget that pledge. And today, together, we celebrate this miracle: Nearly half a million Jews have come out of the Soviet Union to freedom, to America, to Israel.

Persuading parties to sit down face to face to talk peace, ending Israel's international isolation, assisting in the in-gathering of Jews into Israel: These are the three great aims that have guided Israel from its founding. We didn't just talk about helping Israel in these areas, we delivered. That's a fact of which every American can be proud.

And here's another fact: When the chips were down, when many countries, including Israel, were threatened by the most brutal aggression, America was there. We stopped Saddam Hussein. And that terrible time when the world feared that the cold war would be replaced by a new age of Saddam, that is over, too. I knew when I took the oath of office that every President faces difficult decisions. And I can tell you this: There is no decision more difficult than sending this country's young men and women into combat, sending somebody

else's son or daughter to possible death. In the end, it comes down to this: You cannot make that kind of decision unless you are certain you understand what is at stake. I knew what was at stake. And because of the bravery of America's sons and daughters in Desert Storm, America today is safer and Israel today is safer.

Ask yourself this question, where the Middle East would be today, where Israel's security would be today if we had followed the counsel of my critics. Ask yourself where we would be if we had someone in the Oval Office who would have waffled, who would have wavered and wanted to have it both ways. Listen to my opponent's very own words on whether he would have followed my lead and drawn a line in the sand. And here is the exact quotation: "I guess I would have voted with the majority if it was a close vote. But I agree with the arguments the minority made." Where would we be? I'll tell you. We would be facing a nuclear-armed Iraq, dominant in the Middle East, with a chokehold on the world's oil supplies; an Iraq that showed clearly to the rest of the world that aggression against one's neighbors can go unchecked; an Iraq threatening Israel's very existence. Israel's very survival would be at stake. And we'd be talking about whether there was any chance to avoid nuclear Armageddon in the Middle East. Well, Desert Storm swept away that nightmare. And because of America's courage, today we now have the chance to see the dawn of peace in the Middle East.

There is still lots of work to be done. The Middle East, indeed, the world, is still a dangerous place. Terrorists continue to target the innocent. The proliferation of weapons of mass destruction casts a cloud over the region's future. Iraq's Saddam Hussein, however much weaker, defeated, and locked in the prison of his own country, still brutalizes his own people, resists the will of the international community.

The need for Israel to remain strong is beyond question. And it clearly includes having a defensive capability against missile attack. Scud attacks on Israel should have made that clear to everyone in the United States of America. For that reason, I have proposed to Israel that it participate in our

development of a global protection system. Let me say to you: You ought to take a good, close look at anyone who claims to be a friend of Israel, at anyone who claims to be serious about Israel's security but opposes development of the defenses like GPALS that may be the most effective way for Israel to defend itself against missile attack. The point is, the need for U.S.-Israel strategic partnership and cooperation remains as strong as ever.

And we're also going to see that partnership at work this week because I am happy to tell you that I am sending to the Congress legislation requesting up to \$10 billion in loan guarantees to aid Israel's Government in welcoming its immigrants. *[Applause]* And from that response, I know I can count on the support of everyone in this room to make sure that this proposal becomes law. Yes, we're in tough economic times in this country, but don't let any Member of Congress tell you we can't afford to do this. We can, and we must. Today I ask you: Take that message to Capitol Hill.

I am glad that Prime Minister Rabin and I were able to reach an understanding on loan guarantees when we met up at Kennebunkport last month. He outlined for me the new Israeli government's new priorities, committed to investing in Israel itself, and stood determined to avoid steps that could hamper progress toward peace. I share that commitment. And as a result, we will be able to promote peace and welcome new immigrants at one and the same time. Both are humanitarian undertakings; both deserve our full support. It was important not to choose between them, and I am glad that we are now in a position to promote both of those objectives.

As for the future, I am confident that on most issues, on most occasions, we and Israel will find ourselves in agreement. I, for one, am committed to revitalizing the tradition of full consultations between the United States and Israel on the entire range of issues affecting stability in the Middle East. I know Prime Minister Rabin shares this commitment. And let me emphasize this point: There will be no surprises.

Our support for Israel and its security is

not simply a policy. It is a principle. As I said after Prime Minister Rabin and I met in Maine, this is a relationship based on a shared commitment to democracy and common values, as well as a solid commitment to Israel's security, including its qualitative military edge. This is a special relationship, one specially built to endure.

This relationship is important, especially now, as we enter the new era of uncertainty. Old empires are dying, new nations being born. This is a time when a nation needs to know who it can count on. Israel has a stability of purpose, a strength of spirit that has seen it through dark days. We know Israel will be there for us, just as we will always be there for Israel. Rudy touched on this in the introduction, but no doubt there will be times when we disagree. Even friends disagree. Even Barbara and I disagree from time to time. America will have disagreements with Israel just as we sometimes disagree with Canada and France and Germany and Britain. Those differences are signs of the durability of a strong relationship, of the democratic bonds we share. The point is this: These are disagreements between friends, and I emphasize that word, friends.

There may even be issues where you and I will take opposing sides and things may get hot and words may be exchanged. In the past, I'll never forget this one, some remarks of mine were, I felt, misinterpreted. I have gone on the record expressing my regret for any pain those words caused. Again I want to make it clear, I support, I endorse, and I deeply believe in the God-given right of every American to promote what they believe. It is your right as an individual. It's more than a right. It's your duty as an American citizen.

But let me also say that it is important that we learn how to disagree. The way democracies engage in debate is not without consequence. It is a mark of civility and freedom. I hardly need to tell anyone in this room just what anti-Semitism is. As my friend Abe Foxman, with us today, of the Anti-Defamation League has pointed out, to accuse those who may come to different conclusions on one or another public issue of harboring anti-Semitism is to cheapen the term. That is dangerous. That

is deeply wrong. And when those words, without justice, have been aimed at me, I can tell you, they cut right to the heart.

But let's put all of this aside now and look to the future. I've talked to you here about my optimism for that future. We come together at a blessed time. The cold war is over. And Arab-Israeli peace talks have begun. There is another reason to be optimistic. The American people will soon exercise their unbroken 200-year democratic right to elect a President. And I'm optimistic, too, about the identity of that new President. There I go sounding like Harry Truman. I've got to be careful about that. But seriously, you have made me feel I'm among friends, and I know we've had some differences, but I also hope you'll look at this overall record. But let me leave you with this. However it turns out, commitment to freedom and democracy, to tolerance and opportunity in America and around the world will not change.

You are members of a community that has a long and great tradition of political participation. B'nai B'rith stands for opportunity, for tolerance, for opposition to anti-Semitism and the ugly face of hate in all its forms. You stand, too, for stalwart support for America's close friend and ally, Israel. And now let me say that on all these issues I am proud to stand with you.

In 3 weeks—[*applause*]—and say thank you all. May God bless the State of Israel. And listen, 3 weeks from now—the start of a new year. I wish you a prosperous year; I wish you a year of peace. And may God bless the United States of America. Thank you all very, very much.

The Economy

Q. Mr. President, your words were very clear in your concern about trying to eliminate anti-Semitism and removal of the Arab boycott against Israel. We also applaud your efforts for helping us open the gates for our Soviet and Ethiopian brothers to have the freedom to leave those countries and especially for your supporting the \$10 billion loan guarantee.

The President has consented to answer some questions which I will pose to him. Mr. President, the first question: With all

the talk about an economy in recession, many Americans believe that the real problem is an economy in decline. What, in your judgment, would it take to reverse this decline?

The President. In the first place, we've had a tough time. It hasn't been only the United States of America. Look around the world. There has been a global recession, certainly a global slowdown. The United States economy has grown anemically for five straight quarters, five straight quarters. But it's so anemic that many areas don't feel it, because to average out a growth like that you have to have some areas doing much worse and some areas doing better.

What it's going to take, it seems to me, to turn the economy around is to get the Government sector of the economy doing less. And that's why I am favoring holding the growth on spending. I will not touch Social Security; I've said that over and over again and have been very faithful to that. But in my view, the Government spends too much and taxes too much. Too much in the public sector, not enough in the private sector.

Now, in my January State of the Union message, I suggested to what I now call the gridlocked Congress that they move on certain incentives to stimulate the economy. Investment tax allowance, for example. A credit for first-time homebuyers to stimulate the housing market. I still believe firmly that a good way to stimulate this economy is a capital gains tax reduction. We are not saving enough, and we're not increasing capital enough. And the way you do that is to cut that capital gains rate. It will increase jobs, increase investment, increase risk-taking. I know I have a big argument with those on the other side of the political aisle, but I believe it would work now just as it worked when it was cut in 1978 as a stimulation.

So the philosophy is cut back on tax-and-spend as an approach, and try to get this Government under control with less regulation, more incentive to save and invest, and certainly do something about the fabric of the Nation. And that is, we're talking here about the need for us to be competitive internationally. We're going to have to do better in the field of education, and our

America 2000 program makes a very good step about that.

I have been concerned about the confidence factor because you've had so much gloom and doom about the economy that people are scared. Yes, things have been slow. But I am not pessimistic in the long run. I simply disagree with my opponent when he talks about this Nation being a nation in decline or ranking somewhere between Germany and Sri Lanka, to use his own words. We don't. Go talk to your friends abroad, and you'll find that we are still, in spite of our difficulty, the envy of the world. Now what we've got to do is get ready and move forward into the future with some optimism. I believe we can do it.

Palestinian State and Middle East Peace

Q. Mr. President, do you still oppose the creation of an independent Palestinian state? And what framework for peace do you see involving and between Arabs and Israelis?

The President. The second part—the answer to the first part is, yes.

Q. And what framework for peace do you see involving and between Arabs and Israelis?

The President. The answer is, yes, I still oppose a Palestinian state. I've been consistent on that for a long, long time. But I think the framework lies in successful step-by-step progress on these negotiations. And once again I don't want to put this in too much of a political context, but I think some in our administration deserve great credit for the diplomacy used in bringing these parties together. And therein is the best framework for the peace.

Let the parties negotiate it out. Let the parties—we're not going to dictate the terms. We shouldn't dictate the terms. Let the parties negotiate it out in face-to-face negotiation. The framework is there. Now our role is to be catalytic, to keep the people at the peace table as best we can, be as helpful as we can in that, and not try to impose some settlement on one party or another. And it takes a while, but we're making some progress, I think.

Separation of Church and State

Q. Jews and others in this country are

very concerned about the separation of church and state. How can you allay fears that the wall of separation is being increasingly eroded?

The President. I don't think the wall is being eroded. Certainly legally it's not, and it shouldn't be eroded. I believe firmly, and I've stated this over and over again, of separation between church and state. Where you get into some complications or some discussion of this is when you get into school choice. I happen to favor it. Some people don't, thinking that it's going to get church and States involved. But what we propose in that area, for example, is to help the families and let them choose.

I was a recipient and I'll bet there's a bunch of other old guys around here that were recipients of the GI bill after World War II. And they didn't say to me, you can take this help from the Government to go to a State school. They said, here, take it and go to whatever school you want, college of your choice. It didn't diminish anything.

And so I think we ought to try the same thing, whether it's public, private, or religious schools. That, in my view, is not merging church and state. What I think of it is a choice for a family that has been demonstrably successful early on.

But the underlying point is, certainly any President of the United States must be always concerned that nothing he or she might do should blur this line of separation between church and state. It is very, very fundamental to our system. And I hope that I can stand up credibly on my record for that principle.

Sale of F-15's to Saudi Arabia

Q. With a final question, we are concerned about news reports that you plan to send to Congress a proposal to sell F-15 jets to Saudi Arabia, especially since Saudi Arabia is in a state of war with Israel and is engaged in an economic boycott of Israel, which also affects the United States, business interests and American jobs. Do you still plan to propose the sale of F-15's to the Saudis?

The President. When you're President, you look at all the issues. You look at everything in the area. One of them, of course,

is Israel's qualitative edge. As I said in my remarks, I'm going to keep that in mind. You also look at the domestic economy. You also look at the Persian Gulf and the areas of stress and constraint over there.

No decision has been made. We have made consultations. I do want to make this a little bit, put a little political spin on this, my opponent the other day in St. Louis, big headline, said that he supported the sale. When you are President you have to do a lot of consultation on this. I can tell you no final decision has been made. I don't want to misrepresent it: Consideration is being given to this. But whether there is any difference between the parties for this election on this question, I don't know. But I can guarantee you the qualitative edge that Israel has will not be neglected. And as I say, I will keep fighting for the elimination of the boycott and these other—and for the day when you can sit down and have a peace agreement.

But again, a President has to look at the overall security requirements, and that's exactly what I am doing right now. And I would then have to notify Congress, I'm not sure of the timing on that, if a decision is made to go forward. But again, I will think it all out, make my decision, and call it the way I see it like that umpire does. The buck does stop on that desk in the Oval Office, and you have to make tough calls sometimes.

Q. Mr. President, we are honored to make a special presentation to you today. We have a replica of the famous George Washington letter to which you referred so eloquently in your remarks. The original letter, written in 1790, is one of B'nai B'rith's most prized possessions. It is an historic document because it is the first link in an unbroken chain. Every President from George Washington to you, sir, has championed liberty and justice for all. The worldwide family of B'nai B'rith is proud to present this to you.

The President. Thank you all very, very much. Thank you. A great pleasure.

Note: The President spoke at 11:31 a.m. at the Sheraton Washington Hotel. In his remarks, he referred to Kent Schiner, presi-

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dent, B'nai B'rith; George Klein, general chairman, Bush-Quayle '92 Jewish Campaign Committee; and Max M. Fisher, honorary chairman, Bush-Quayle '92 National Finance Committee.

Statement on Virginia Welfare Reform

September 8, 1992

Today, as millions of American school-children return to school, I am pleased that we are approving Virginia's request for welfare waivers. These waivers will allow Virginia to test a program that encourages children of welfare recipients to attend school.

Under Virginia's program, children in grades 6 through 8 in a limited number of schools will be required to attend school, or their families would lose the higher welfare payments and other rewards provided

as incentives. To encourage students to stay in school, individual dropout prevention counseling and other needed services will be provided. Families of children who remain truant despite counseling may have their assistance payment further reduced.

Education and job skills are necessary for any person to become a productive member of society. Virginia's program will evaluate whether these incentives improve school attendance and performance.

Message to the Senate Transmitting the Russia-United States Taxation Convention

September 8, 1992

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention between the United States of America and the Russian Federation for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Washington on June 17, 1992, together with a related Protocol. I also transmit the report of the Department of State.

The convention replaces, with respect to Russia, the 1973 income tax convention between the United States of America and

the Union of Soviet Socialist Republics. It will modernize tax relations between the two countries and will facilitate greater private sector United States investment in Russia.

I recommend that the Senate give early and favorable consideration to the convention and related protocol and give its advice and consent to ratification.

GEORGE BUSH

The White House,
September 8, 1992.